§ 3020.30

International Business Reply Service Competitive Contract 2 (MC2010–18, CP2010–21 and CP2010–22)

Competitive Product Descriptions

Express Mail

Express Mail

Outbound International Expedited Services Inbound International Expedited Services Priority

Priority Mail

Outbound Priority Mail International

Inbound Air Parcel Post

Parcel Select

Parcel Return Service

International

 $International\ Priority\ Airlift\ (IPA)$

International Surface Airlift (ISAL)

International Direct Sacks-M-Bags

Global Customized Shipping Services

International Money Transfer Service Inbound Surface Parcel Post (at non-UP)

Inbound Surface Parcel Post (at non-UPU rates)

International Ancillary Services
International Certificate of Mailing

International Registered Mail

International Return Receipt

International Restricted Delivery

International Insurance

Negotiated Service Agreements

Domestic

Outbound International

Part C—Glossary of Terms and Conditions

Part D—Country Price Lists for International Mail [Reserved]

[77 FR 75378, Dec. 20, 2012]

Subpart B—Requests Initiated by the Postal Service To Modify the Product Lists Described Within the Mail Classification Schedule

§ 3020.30 General.

The Postal Service, by filing a request with the Commission, may propose a modification to the market dominant product list or the competitive product list appearing in the Mail Classification Schedule. For purposes of this part, modification shall be defined as adding a product to a list, removing a product from a list, or moving a product from one list to the other list.

§ 3020.31 Contents of a request.

A request to modify the market dominant product list or the competitive product list shall:

- (a) Provide the name, and class if applicable, of each product that is the subject of the request;
- (b) Provide a copy of the Governor's decision supporting the request, if any;
- (c) Indicate whether the request proposes to add a product to the market dominant list or the competitive list, remove a product from the market dominant list or the competitive list, or transfer a product from the market dominant list to the competitive list or from the competitive list to the market dominant list:
- (d) Indicate whether each product that is the subject of the request is:
- (1) A special classification within the meaning of 39 U.S.C. 3622(c)(10) for market dominant products;
- (2) A product not of general applicability within the meaning of 39 U.S.C. 3632(b)(3) for competitive products; or
 - (3) A non-postal product.
- (e) Provide all supporting justification upon which the Postal Service proposes to rely; and
- (f) Include a copy of the applicable sections of the Mail Classification Schedule and the proposed changes therein in legislative format.

§ 3020.32 Supporting justification.

Supporting justification shall be in the form of a statement from one or more knowledgeable Postal Service official(s) who sponsors the request and attests to the accuracy of the information contained within the statement. The justification shall:

- (a) Demonstrate why the change is in accordance with the policies and the applicable criteria of chapter 36 of title 39 of the United States Code;
- (b) Explain why, as to market dominant products, the change is not inconsistent with each requirement of 39 U.S.C. 3622(d), and that it advances the objectives of 39 U.S.C. 3622(b), taking into account the factors of 39 U.S.C. 3622(c);
- (c) Explain why, as to competitive products, the addition, deletion, or transfer will not result in the violation of any of the standards of 39 U.S.C. 3633:

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- (d) Verify that the change does not classify as competitive a product over which the Postal Service exercises sufficient market power that it can, without risk of losing a significant level of business to other firms offering similar products:
- Set the price of such product substantially above costs;
- (2) Raise prices significantly;
- (3) Decrease quality; or
- (4) Decrease output.
- (e) Explain whether or not each product that is the subject of the request is covered by the postal monopoly as reserved to the Postal Service under 18 U.S.C. 1696 subject to the exceptions set forth in 39 U.S.C. 601;
- (f) Provide a description of the availability and nature of enterprises in the private sector engaged in the delivery of the product;
- (g) Provide any information available on the views of those who use the product on the appropriateness of the proposed modification:
- (h) Provide a description of the likely impact of the proposed modification on small business concerns; and
- (i) Include such information and data, and such statements of reasons and bases, as are necessary and appropriate to fully inform the Commission of the nature, scope, significance, and impact of the proposed modification.

§ 3020.33 Docket and notice.

The Commission will establish a docket for each request to modify the market dominant list or the competitive product list, promptly publish notice of the request in the FEDERAL REGISTER, and post the filing on its Web site. The notice shall include:

- (a) The general nature of the proceeding;
- (b) A reference to legal authority to which the proceeding is to be conducted:
- (c) A concise description of the proposals for changes in the Mail Classification Schedule;
- (d) The identification of an officer of the Commission to represent the interests of the general public in the docket;
- (e) A specified period for public comment; and
- (f) Such other information as the Commission deems appropriate.

§ 3020.34 Review.

The Commission shall review the request and responsive comments. The Commission shall either:

- (a) Approve the request to modify the market dominant and competitive product lists;
- (b) Institute further proceedings to consider all or part of the request if it finds that there is substantial likelihood that the modification is inconsistent with statutory policies or Commission rules, and explain its reasons for not approving the request to modify the market dominant and competitive product lists;
- (c) Provide an opportunity for the Postal Service to modify its request; or
- (d) Direct other action as the Commission may consider appropriate.

§ 3020.35 Further proceedings.

If the Commission determines that further proceedings are necessary, a conference shall be scheduled to consider the concerns expressed by the Commission. Written statements commenting on the Commission's concerns shall be requested, to be filed 7 days prior to the conference. Upon conclusion of the conference, the Commission shall promptly issue a ruling to:

- (a) Provide for a period of discovery to obtain further information;
- (b) Schedule a hearing on the record for further consideration of the request;
- (c) Explain the reasons for not going forward with additional proceedings and approve the request to modify the market dominant and competitive product lists; or
- (d) Direct other action as the Commission may consider appropriate.

Subpart C—Requests Initiated by Users of the Mail To Modify the Product Lists Described Within the Mail Classification Schedule

§3020.50 General.

Users of the mail, by filing a request with the Commission, may propose a modification to the market dominant product list or the competitive product list appearing in the Mail Classification Schedule. For purposes of this